

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICATION OF ERNEST G.	§	
JOHNSON, DIRECTOR OF THE	§	
PUBLIC UTILITY DIVISION,	§	
OKLAHOMA CORPORATION	§	Cause No. PUD 970000064
COMMISSION TO EXPLORE THE	§	
REQUIREMENTS OF SECTION 271	§	
OF THE TELECOMMUNICATIONS	§	
ACT OF 1996.	§	

STATEMENT OF DANIEL C. KEATING, III
ON BEHALF OF
AT&T COMMUNICATIONS OF THE SOUTHWEST

I. INTRODUCTION AND QUALIFICATIONS

1. My name is Daniel C. Keating, III. My business address is 5501 LBJ Freeway, Suite 1045, Dallas, Texas. I am employed by AT&T in the Local Infrastructure and Access Management organization as a Local Outside Plant Engineering and Construction District Manager. I am responsible for planning, designing, and constructing AT&T's outside plant facility network for local telecommunications service in the states of Texas, Oklahoma, Missouri, Arkansas and Kansas.

2. I received a Bachelor of Science Degree from Rensselaer Polytechnic Institute in 1983. I have also attended Executive Education mini-MBA programs at Boston University and the University of Virginia.

3. Following summer employment as a lineman for Southern New England Telephone (SNET), I was hired by SNET's outside plant Construction Methods Organization in 1983. In that capacity, I was responsible for outside plant product approvals, vendor selection, and the development of standard practices and procedures for the construction of SNET's outside plant network. In 1984, I became SNET's Outside Plant Planning Engineer for the Manchester, CT area. In 1985, I joined AT&T as an Account Executive - Outside Plant Products. From

there I became Sales Staff Manager - Transmission and Outside Plant Products for the NYNEX, Bell Atlantic, BellSouth, SNET, and Ameritech accounts until 1991 when I held the position of Account Executive - Transmission and Outside Plant Products. In 1994, I assumed the position of Offer Manager - Consumer Broadband Networks at AT&T. After transferring from the division of AT&T that has since become Lucent, I headed the design plans for AT&T's outside plant local infrastructure for the states of southwest region as Manager - Rights-of-Way, Route Planning, and Franchising. In 1996, I was appointed to my current position of District Manager - Local Outside Plant Engineering and Construction.

4. From May 1996 to the present, I have led AT&T's negotiations with Southwestern Bell Telephone ("SWBT") regarding non-discriminatory access to poles, ducts, conduits, and rights-of-way. For the arbitration proceedings to establish an Interconnection Agreement between AT&T and SWBT, I served as AT&T's expert outside plant witness in each of the five states in SWBT's territory.

II. PURPOSE AND SUMMARY OF STATEMENT

5. The purpose of this Statement is to address SWBT's contention that it stands ready to provide unbundled subloop elements and that it has established a mechanism for non-discriminatory access to the poles, ducts, conduits, and rights-of-way that it owns or controls, based on interconnection agreements that have been approved by the Oklahoma Corporation Commission ("OCC"), SWBT's Statement of Generally Available Terms and Conditions ("SGAT") filed in Oklahoma on January 15, 1997, and the November 13, 1996 Arbitrator's Report and the December 12, 1996 Order Regarding Unresolved Issues entered in arbitration proceedings before the OCC between AT&T and SWBT under the Telecommunications Act of 1996 ("FTA"), Docket No. PUD 960000218 (the "Oklahoma AT&T Arbitration"). Throughout

the five-state interconnection negotiations and commission proceedings, SWBT has also developed, filed, and sought to require use of a "Master Agreement for Access to Poles, Ducts, Conduits, and Rights-of-Way" that appears to be the basis for the Oklahoma SGAT.¹ AT&T has not signed the Master Agreement in Oklahoma or any other state.²

6. The issues of subloop unbundling and access to poles, ducts, conduits, and rights-of-way are intimately related. As I discussed in my direct testimony in the Oklahoma AT&T Arbitration, if the FTA's requirements are adhered to, new, more robust network designs can be established by new entrants using available capacity of unbundled subloop elements. To the extent a new entrant can configure a new, more robust network using existing outside plant elements of SWBT and dark fiber (access to which was granted in the Oklahoma AT&T Arbitration Order), the new entrant can minimize the incremental burden of placing new cables and apparatus on/in the utility poles and conduits resident in our communities. This is clearly in the best interest of the public, both for aesthetic reasons (avoiding taller, congested poles, scarred streets, etc.) as well as reduced disruption of city roadways and traffic flow. The space within these rights-of-way is necessarily limited and thus must be managed equitably as a valuable resource. Where gaps need to be bridged between pieces of SWBT's unbundled network, CLECs typically have only three alternatives: lease facilities from a third party (if such facilities exist), directly bury its own cable or new conduit, or lease space along SWBT's or the power company's poles, conduits, or rights-of-way. Where third party facilities do not

¹ The Oklahoma interconnection agreements have identical provisions, if they address it at all, regarding poles, ducts, conduits, and rights-of-way. They provide simply that SWBT will provide non-discriminatory access upon request. It is likely that, upon request, the "non-discriminatory access" SWBT would provide would be embodied in the Master Agreement.

² The Master Agreement differs in significant, material respects from the interconnection agreement between SWBT and AT&T that was approved by the Texas Public Utility Commission.

exist, the FTA clearly envisioned new entrants being able to lease space from the incumbent rather than deploying new outside plant structure for the reasons mentioned. Without fair, non-discriminatory access to these assets of SWBT (assets SWBT accrued solely by virtue of its former status as monopoly provider), the cost hurdle and time-to-market penalty will effectively prohibit AT&T from establishing its own outside plant network to compete with SWBT's.

7. With this Statement, I will also explain why non-discriminatory access to these essential facilities must exist in fact, rather than in theory, if SWBT is to satisfy the requirements of the competitive checklist under Section 271(c)(2)(b)(iii) of the FTA. Throughout this Statement I will suggest some of the remedies that SWBT must institute to meet the checklist requirements for non-discriminatory access to pole, ducts, conduits, and rights-of-way.

III. SWBT HAS NOT IMPLEMENTED SUBLOOP UNBUNDLING AND DARK FIBER REQUIREMENTS

8. Through arbitration proceedings, AT&T has sought, and was granted by the Oklahoma Commission, access to SWBT's subloop elements on an unbundled basis.³ AT&T requires such access so that it can: (1) subsequently deploy its own facilities and migrate away from relying on the lease of entire loops from SWBT, and (2) reassemble the loop elements to form a local infrastructure architecture that does not necessarily replicate the architecture of SWBT, with expected service and cost advantages. A more thorough discussion of the merits and the importance of subloop unbundling may be found in my direct testimony filed before this Commission as part of the Oklahoma AT&T Arbitration.

³ No other CLEC has requested access to SWBT's subloop elements on an unbundled basis. No reference is made to it in the SGAT. Accordingly, the discussion of subloop unbundling is necessarily specific to AT&T.

9. To date, I have not seen any evidence that SWBT has set in place the operations, processes, or documented practices so that SWBT's field engineering and operations personnel can effectuate the Oklahoma Commission's December 12, 1996 Order. Moreover, I have not seen evidence that these operations have been set in place in Texas, where the Commission's order was entered in early November, and AT&T has been unable to obtain access to necessary information which is readily available to SWBT's own engineers. As discussed in the statements of other witnesses, while SWBT gives lip service to facilities-based competition, it clearly prefers resale competition, to the extent it must tolerate competition at all. SWBT's failure to implement the Commission's mandate with respect to its pathways is but one more example of SWBT's intolerance when it comes to actual implementation of the checklist items which could deliver facilities-based competition. The search for a facilities-based solution will likely resemble a quest for the Holy Grail if SWBT's Master License Agreement becomes the standard.

10. AT&T has similar concerns regarding SWBT's obligation to unbundle its dark fiber. Based on first-hand experience of my Dallas-area Route Planner, SWBT has not implemented processes with its local engineering offices to accommodate access to SWBT's dark fiber. The Texas Commission, along with the Oklahoma Commission and the Arbitrators of the Missouri, Arkansas and Kansas hearings, has ruled that dark fiber is a network element to be unbundled by SWBT. Though SWBT has provided answers to AT&T's inquiry regarding whether there are spare fibers available between two specific SWBT Texas serving offices, SWBT has refused to let AT&T know how many fibers are currently available. SWBT has also refused to provide AT&T with basic engineering design characteristics of the fiber including its bandwidth (information carrying capacity) and price. Without such information, SWBT effectively negates AT&T's ability to utilize SWBT's dark fiber, as sound judgments of cost

viability and electronics compatibility cannot be made. Further discussion regarding the lack of SWBT's actual unbundling of its network elements may be found in the Statement of Steven Turner and Robert Falcone.

IV. POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY -- GENERAL

11. SWBT is not providing access to poles, ducts, conduits, and rights-of-way equal in quality to the access SWBT affords itself and its affiliates. Section 271(c)(2)(B)(ii) of the FTA requires that a BOC provide "[n]ondiscriminatory access to the poles, ducts, conduits, and rights of way owned or controlled by the Bell operating company at just and reasonable rates in accordance with the requirements of Section 224 of this title." Because there are many important procedural steps that are left open and remain the focus of continuing negotiations, SWBT has not demonstrated that it is providing non-discriminatory access and has not satisfied the competitive checklist.

12. The processes for researching, requesting, and occupying space on SWBT-owned or -controlled poles, ducts, conduits, and rights-of-way, and then reimbursing SWBT for its costs in a manner that does not exceed the "just and reasonable" range prescribed by the FTA, are critical factors in determining whether SWBT is providing such access in a non-discriminatory manner with terms equal to that which SWBT affords itself or its affiliates. SWBT's lack of definitive costs, lack of commitment to performance intervals, and lack of willingness to execute an Interconnection Agreement with non-discriminatory access to poles, conduits, and rights-of-way has created prohibitive uncertainties in assessing a CLEC's cost for a facilities-based market entry. (See Exhibit DCK-2 attached to this Statement.)

13. SWBT's ability to delay a CLEC's access to its poles, ducts, conduits, and rights-of-way gives it the ability to control the timing of the CLEC's infrastructure deployment, thereby

allowing SWBT to stall the establishment of a competing local infrastructure, a crucial factor in the challenge to gain local service customers. AT&T's experience in Texas is a good example. AT&T's experience there strongly indicates that SWBT's processes for making access available are far from non-discriminatory, do not yet meet the arbitration rulings of the Texas Commission, and do not fulfill the statutory mandate. Notwithstanding the existence of fully arbitrated rulings, the processes in place at SWBT's field offices have not been modified to accommodate new entrants' needs to view and copy records. Requests for access appear to be handled in much the same manner as SWBT had handled requests of non-competing cable television providers during the 1980s, before the FTA ordered that access be non-discriminatory.

14. Recognizing the need to judiciously use the limited resources of pole and conduit space, AT&T first looks to fully utilize those cable facilities that exist within these structures before consuming incremental space with new cables. This approach is a straight-forward, logical process: look first to stitch together the desired network using segments of idle wires and fibers, and only after assembling this "dark fiber" information, proceed with researching duct and pole space availability to bridge the "gaps" between the ends of the embedded cable segments. Unfortunately, because of SWBT's inability or unwillingness to provide complete information regarding cable facilities (dark fiber) in a given route area, AT&T's first attempt at following this process took more than five weeks from the date of the initial dark fiber inquiry to AT&T's first glimpse at SWBT's conduit records. And AT&T is still waiting for the needed engineering/pricing information so that it can make an informed decision of where AT&T really needs to occupy precious pole/conduit space versus where it can lease dark fiber, though SWBT has indicated that the desired information will not be forthcoming. Instead we are now engaged

in an iterative question and answer dance with SWBT just to determine how many fibers are actually available in the span:

AT&T: "Do you have 24 fibers available in the span?"
SWBT: "No."
AT&T: "Do you have 6 fibers available in the span?"
SWBT: "Yes."
AT&T: "Do you have 12 fibers available in the span?"
SWBT: "No."

This information is necessary so that AT&T can make sound judgments as to whether it can expect that there may be sufficient spare fibers to accommodate AT&T's fiber need projections. If AT&T's leasing of fibers would place AT&T on the last available fibers in the span, especially on small fiber count cables, the option of deploying AT&T's own cable would be much more favored.

15. The practices and procedures governing access to poles, ducts, conduits and rights-of-way are at the very heart of the need recognized by Congress that practices used in the past must be revised to provide for *non-discriminatory* access by would-be competitors. Given that approximately 40 percent of the invested capital of a typical operating company is associated with its outside facilities, it is no surprise that Congress made non-discriminatory access to poles, ducts, conduits, and rights-of-way one of the Section 271 checklist items. The Texas Commission also recognized the importance of not only establishing principles of fair access to poles, ducts, conduits, and rights-of-way, but also the need for implementing practices and processes to ensure the access is truly non-discriminatory. Because of its concern that the 15-step process for access proposed by SWBT in Texas could "unnecessarily delay the fulfillment of valid LSP requests," the Texas Commission has called for a review of the process six months after its arbitration ruling.

16. SWBT's position regarding non-discriminatory access is reflected in the parties' interconnection negotiations. In negotiations, SWBT was not willing to include in the "Purpose" portion of the poles/conduit section of the Interconnection Agreement the words "non-discriminatory access" - a fundamental tenet underlying the need to reform past pole attachment and conduit use policies of incumbent LECs. This issue was ultimately arbitrated in Kansas and Arkansas, with both arbitrators ruling in AT&T's favor. The language SWBT has proposed as its SGAT does not include the "non-discriminatory" qualification regarding access.

17. SWBT's proposed poles, ducts, conduits, and rights-of-way Master Agreement is effectively the same as that which SWBT forced upon CATV and telecommunication companies prior to the FTA and its stated objective of non-discriminatory access. The Master Agreement assures SWBT of at least a controlling upper hand in any access to poles, ducts, conduits, and rights-of-way that potential competitors may seek, contrary to the FTA's requirement of fully non-discriminatory access. This control takes the form of uncapped costs SWBT may levy on new entrants and the lack of reasonable performance criteria to ensure SWBT's compliance with the FTA.

18. There are numerous examples of the control granted to SWBT by its Master Agreement. The Master Agreement allows SWBT to send unsolicited "overseers" to CLEC job sites at the CLEC's expense and without notice. SWBT is free to rack up "pre-license survey" costs and bill the CLEC for these unnecessary expenses, even though the CLEC will likely do its own surveys. By granting itself discretion over aspects of installing outside plant, such as make-ready work, SWBT could also control (and thereby delay) the time frames for new entrants' access. Under the Master Agreement, SWBT can also control competitive intelligence through its one-sided non-disclosure agreement (Appendix V) that does not obligate SWBT to

guard and protect its knowledge of sensitive information such as *where* a CLEC is considering building facilities. As can be seen in SWBT's document, SWBT will not commit to any performance intervals. The Master Agreement calls for discriminatory treatment of CLECs regarding abandonment and transfer of poles, ducts, conduits, and rights-of-way assets. SWBT has agreements in place today with electric companies that protect the electric company against SWBT's transfer of property (poles, conduits) to a third party, yet section 4.03 of SWBT's Master Agreement calls for there to be "no effect on SWBT's right to convey, transfer, or abandon property." The two arbitrators to whom this issue was presented (in Kansas and Arkansas) ruled in AT&T's favor on this issue and ordered that SWBT must transfer its facilities subject to existing rights of AT&T. The Master Agreement is contrary to this ruling.

19. The Master Agreement, in contradiction to the non-discriminatory provisions of the FTA and the FCC Order, restricts a CLEC's access to a critical piece of the conduit system: the Central Office entrance conduit. The Pole Attachment Act and the FCC Order grant CLECs access to *any* conduits under the ownership or control of a BOC, regardless of whether these conduits are within public or private property. See 47 U.S.C. § 224(f)(1); FCC Order ¶¶1178 - 1181. The conduit that connects the Central Office (C.O.) vault to the C.O. manhole meets this criteria and is therefore subject to the same non-discriminatory access as the remainder of the conduit system. However, SWBT's collocation provisions preclude a CLEC from being able to directly access this critical piece of the conduit network, stating that the Interconnector may only bring "its fiber optic cable to the . . . entrance manhole(s) designated by SWBT, ...[so that SWBT may] fully extend the Interconnector-provided cable facilities [to] the cable vault." See SWBT SGAT Appendix NIM, §9.3. Therefore, there is a gap in a CLEC's accessibility to SWBT's conduit system at a critical point where most local facilities aggregate.

20. SWBT should not insist that the Master Agreement be capable of serving as an independent, stand-alone agreement where a binding interconnection agreement will be entered into between SWBT and a telecommunications carrier. The parties are not simply negotiating poles and conduit issues, but an overall framework that will govern their contractual relationship as a whole. SWBT has proposed terms and conditions that are not called for by the FTA or the FCC's Order, and are potentially at conflict with the general Terms and Conditions section of its SGAT. Hence, most of Articles 20 through 32 of the Master Agreement should be deleted. Furthermore, the Master Agreement should not (as SWBT suggests) control in the event of conflict with other terms in the interconnection agreement. The Master Agreement should not be intended to address all areas of interconnection or specify the rights and obligations of the parties outside of the poles and conduits context.

V. POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY -- PROCESS FOR ATTAINING ACCESS

21. SWBT's proposed process by which CLECs would obtain access is anti-competitive, discriminatory, and inconsistent with the processes SWBT's own engineers follow when obtaining space on/in the same SWBT-owned or -controlled poles, ducts, conduits, and rights-of-way for SWBT's own use. To make the process non-discriminatory as required by the FTA, SWBT must adopt a process such as that attached to this Statement as Exhibit DCK-1.

22. A critical component of non-discriminatory access is that a CLEC be permitted to engineer and perform work on its own behalf. For make-ready work and facilities modifications, the Master Agreement allows only "authorized contractors" to engineer and perform work; whether a CLEC is an "authorized contractor" is determined by SWBT. This not only conflicts with the FCC Order that SWBT "should not require parties seeking to make attachments to use the individual employees or contractors hired or pre-designated by the

utility," but also conflicts with the rulings of the two arbitrators presented with the issue that AT&T shall be considered an "authorized contractor." See FCC Order ¶1182. Further, by failing to acknowledge that AT&T is an authorized contractor, SWBT's language also conflicts with stipulations between AT&T and SWBT in Texas and Oklahoma regarding AT&T's ability to perform make-ready work for itself.

VI. POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY -- THE COSTS FOR ATTAINING ACCESS ARE NOT JUST AND REASONABLE

23. SWBT's Appendix I to the Master Agreement, paragraph D.1 calls for a CLEC to pay SWBT for "all other work performed by SWBT . . . including monitoring by SWBT of activities performed by or on behalf of [AT&T] on or in the vicinity of SWBT's poles, ducts, conduits, and rights-of-way." Such costs are burdensome and are without just cause. Sending unsolicited "overseers" to a CLEC's job site, and then billing AT&T for these individuals, is not at all in the spirit or intent of *non-discriminatory* access. SWBT does not have to pay a third party for overseeing its operations, nor would it be willing to pay AT&T for an AT&T overseer when AT&T sends a person to a SWBT job site that contains AT&T facilities.

24. SWBT's current policy, reflected in its the Master Agreement, is to collect payment for "make-ready" work in advance even though SWBT pays its own contractors in arrears or on progress payments/installments. This practice places unfair and unnecessary financial burdens on CLECs.

25. Further discriminatory provisions found in the Master Agreement call for recurring rates and fees that require "rent" payment by CLECs without prorating for time during which a CLEC was not actually assigned the space on either the back end or front end of the agreement (e.g., space assigned to AT&T on June 20 would make AT&T liable for an entire six months from January 1 through June 30; space vacated by AT&T on August 3 would

similarly obligate AT&T to pay for an entire six months spanning July 1 through December 31). (See Exhibit DCK-3 attached to this Statement.)

26. The FTA and the FCC Order require that SWBT be compensated for a CLEC's occupancy of space in/on SWBT's poles, ducts, conduits, and rights-of-way at rates that are "just and reasonable," defined as being between SWBT's incremental cost of the CLEC's occupancy and SWBT's fully allocated cost. In a major concession by AT&T to reach closure on the compensation issues, AT&T agreed to utilize SWBT's "CATV rates," which are recognized as being at the very ceiling of the "just and reasonable range," provided that SWBT agree to the following conditions: 1) rates remain fixed and not subject to annual adjustment, 2) the rate for inner-duct occupancy be set at one-third the "full duct rate," and 3) all other administrative and ancillary fees be waived. SWBT's contract language includes annual rates that are at the ceiling for poles and full-sized conduits, but completely ignores those three conditions.

27. Furthermore, by using a "half-duct" rate for inner-duct occupancy, SWBT will be over-collecting by a half-duct amount along any span where there are three inner-ducts in the conduit, and by double the conduit rate where there are four inner-ducts in the conduit. This would place SWBT's rates well above the just and reasonable range prescribed by Congress. [See SWBT's Appendix I to the Master Agreement, paragraph B.2(e) language that puts the rate for inner-duct occupancy at half the full duct rate when SWBT typically has three or four inner-ducts in a conduit, as noted in SWBT's paragraph 6.07)]. If SWBT is allowed to charge a CLEC a half-duct rate for inner duct or a multitude of ancillary fees, then SWBT at least should be obligated to negotiate a recurring rate that is more reflective of the middle of the defined "just and reasonable" range. Despite the Oklahoma Commission's ruling that the inner-duct rate

should be set at 1/3 the full duct rate, SWBT's SGAT provides that each inner duct is to be billed at the half-duct rate. While conceding that "[p]ending review of [the Oklahoma Commission's] decision, SWBT shall not bill Applicant an inner duct rate exceeding 1/3 the full duct rate," SWBT clearly intends to maintain the one-half duct rate long-term if at all possible. Charging the one-half duct rate for all inner ducts does not satisfy this "just and reasonable" standard, as required by the FTA.

VII. CONCLUSION

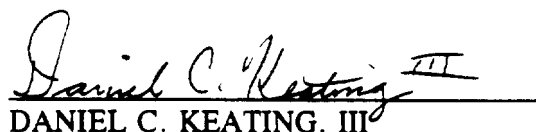
28. SWBT has not put into place the operations, processes, or documented practices for subloop unbundling necessary to effectuate the Arbitrator's order granting AT&T access to SWBT's loop facilities on a subloop unbundled basis can be effectuated. Furthermore, for all of the reasons given in this Statement, SWBT is not providing AT&T access to its poles, ducts, conduits, and rights-of-way that is equal in quality to the access SWBT provides itself. Non-discriminatory access to these essential facilities must exist in fact, rather than in theory, before SWBT can satisfy the requirements of the competitive checklist of Section 271.

VERIFICATION

STATE OF TEXAS)

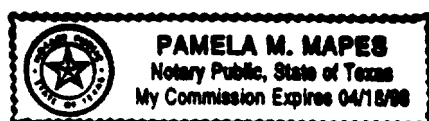
COUNTY OF DALLAS)

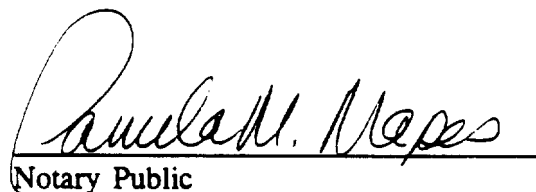
I, DANIEL C. KEATING, III, of lawful age, being first duly sworn, now state: that I am authorized to provide the foregoing statement on behalf of AT&T; that I have read the foregoing statement; and the information contained in the foregoing statement is true and correct to the best of my knowledge and belief.


DANIEL C. KEATING, III

AT&T
Local Outside Plant Engineering &
Construction District Manager

SUBSCRIBED AND SWORN TO BEFORE ME this 7th day of March,
1997.




Notary Public

My Commission Expires:

4/18/98

EXHIBIT DCK-1

**IMPLEMENTABLE PROCESS FOR NONDISCRIMINATORY ACCESS
TO POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY**

IMPLEMENTABLE PROCESS FOR NONDISCRIMINATORY ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY

FUNDAMENTAL ASSUMPTIONS:

- AT&T is granted the same fundamental engineering and construction freedoms of choice as SWBT affords its own operations divisions. This process would be followed by AT&T and SWBT and could be applied to all new entrants seeking to occupy space on/in SWBT poles, ducts, conduits, and rights-of-way.
- SWBT serves as administrator and keeper of the occupancy records of the pole, duct, conduit, and right-of-way space that it owns or controls. As agreed during negotiations with SWBT, the occupancy record will serve as a "sign-out" record for all parties, including SWBT, that intend to install or remove facilities from SWBT-owned or -controlled poles, ducts, conduits, or rights-of-way. Consistent with earlier stipulated agreements reached between SWBT and AT&T in other states, AT&T may access the "sign-out" log, along with other outside plant records of SWBT, upon two days' notice.

NONDISCRIMINATORY PROCESS:

1. **Local Service Provider investigates the availability of existing poles, ducts, conduits, and rights-of-way** of other outside plant structure owners (Competitive Access Providers, power companies, SWBT, other local service providers, etc.) to determine the best means of linking a given set of nodes and customer locations together. The selected connectivity plan will seek to minimize costs and time-to-market to remain competitive and minimize disruption of city streets and visibility of plant to serve the public interest.
2. **Assignment of Space.** Upon selection of a primary route, the AT&T engineer would identify the desired pathway spaces under SWBT's control and indicate AT&T's intention to utilize those spaces using a space assignment form (similar in content to the application forms utilized by SWBT prior to the FCC's requirement of non-discriminatory access but with references to SWBT's pole plat and conduit print record numbers). This space assignment would become effective immediately and would become an integral part of the space assignment record (or sign-out log). A SWBT representative would counter-sign and date-stamp the entry and provide a copy to the AT&T engineer for AT&T's records (to resolve first-come-first-served contentions between parties should they arise). At this time the space becomes "assigned." This complete transaction ~~can~~ take place on one visit.
3. **Site Survey (field investigation) of chosen route** . . . necessary due to inaccuracies of SWBT records. Also done to assess amount of make-ready work needed to be done. SWBT is welcome to join AT&T (at SWBT's own expense since SWBT would be providing no work on behalf of AT&T). Amend the description/location of the "assigned" space if necessary.
4. **Install cables and apparatus.** Any party performing planned cable placements or removals would provide courtesy notification of its work schedule to other service providers in the area to minimize chances of dispatching crews of competing companies to the same work area on the same day. Work involving new structure placement (poles,

ducts, conduits) requires as much advance notification as possible to permit other service providers the opportunity to piggyback on to the construction activities, thereby reducing multiple trenchings, multiple pole shifts, etc.

5. **Update outside plant records.** Revise conduit prints and pole plats as appropriate. Pay lease semi-annually (prorated from time of actual assignment of the space).

Exhibit DCK-2
1 Page

EXHIBIT DCK-2
THE STORY OF ROW

The Story of ROW



AT&T

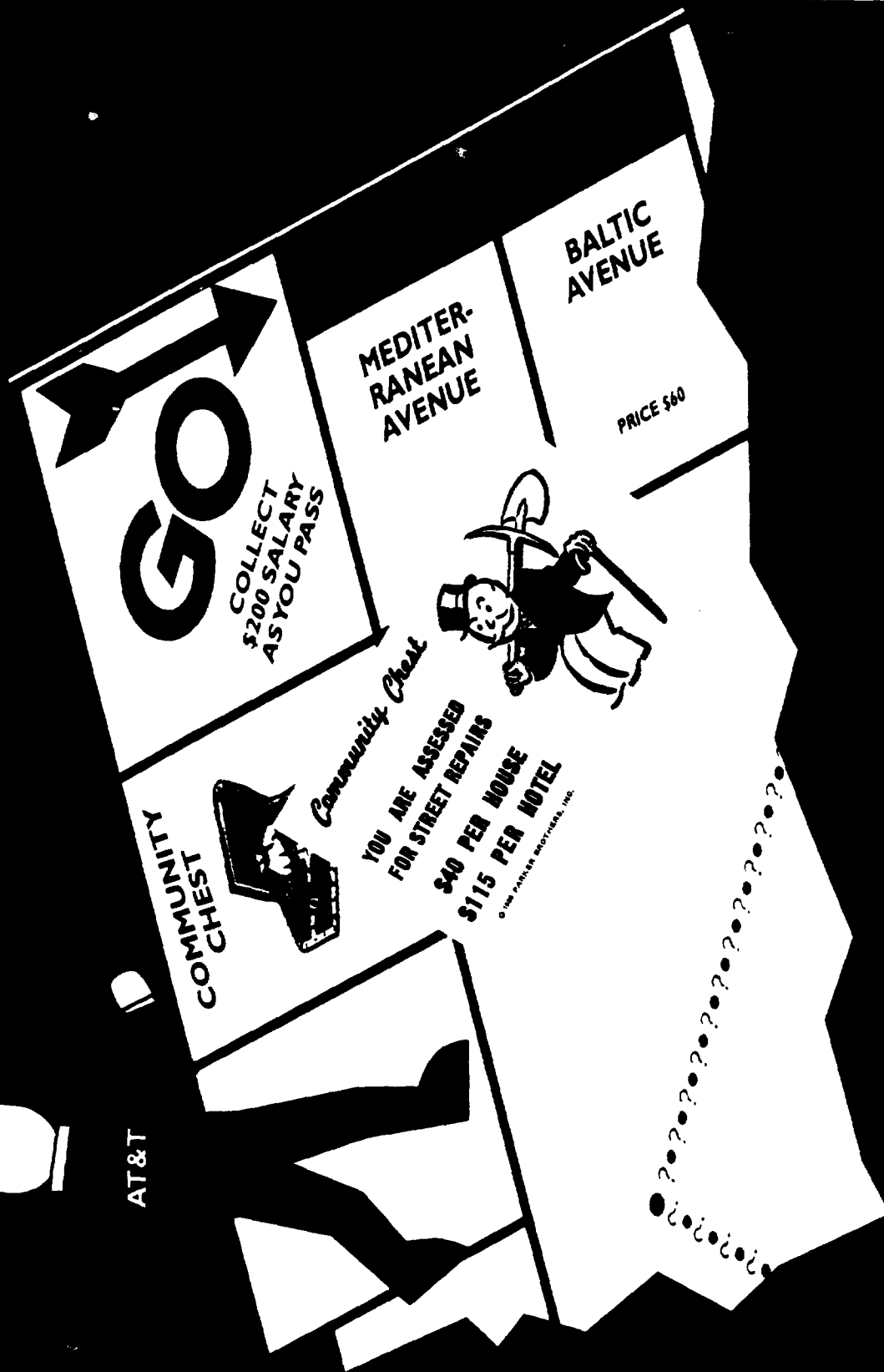


EXHIBIT DCK-3

OBTAINING ACCESS TO ROW IS DICRIMINATORY

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BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

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**STATEMENT OF MARK LANCASTER
ON BEHALF OF
AT&T COMMUNICATIONS OF THE SOUTHWEST, INC.**

I. INTRODUCTION AND QUALIFICATIONS

1. My name is Mark Lancaster, and my business address is 1100 Walnut, Kansas City, Missouri, 64106.
2. I am employed by AT&T as a Technical Support Manager in the Local Service Division. My primary responsibilities are to provide strategic network planning expertise to internal AT&T clients, and to work with state regulatory commissions and industry representatives to obtain regulatory conditions that provide fair opportunities for AT&T to compete in the provision of telecommunications service. A current focus of my work involves supporting AT&T's pursuit of Interim and Permanent Number Portability in the states of Arkansas, Kansas, Missouri, Oklahoma, and Texas.
3. I received a Bachelor of Science Degree in Psychology from Northwest Missouri State University in 1976, and a Master of Arts Degree in Education from the University of Missouri-Kansas City in 1978. I am currently working towards a Masters of Business Administration Degree from Keller Graduate School of Management in Kansas City, Missouri.
4. In 1979, I was hired by Southwestern Bell Telephone Company (SWBT) as a Service Consultant in the Marketing organization. I worked extensively with plant, engineering,